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Industrial Horizons



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News Publication — Montana State Planning Board

Planning Problems to be Discussed at Missoula Institute, Sept. 18-19

Over 100 persons from all parts of Montana are expected to attend the First Montana Planning Institute, to be held on the campus of Montana State University in Missoula, September 18-19, 1959.

Co-sponsored by MSU, the Montana State Planning Board, and the Association of Montana Planning Boards, the Institute is to be an intensive hard-work discussion of the problems facing Montana communities.

The Institute will open Friday evening, September 18, with an informal dinner at the Florence Hotel in Missoula, followed by the annual meeting of the Association of Montana Planning Boards and premiere showing of a new planning movie "Blueprint for Progress."

Panel Discussions of Problems

Panel discussions on Saturday will be devoted to integrating highways and major street plans; zoning; subdivision control; trailers; and acquiring parks. Dinner speaker on Saturday evening will be Dr. Harry Newburn, new President of MSU.

Ample time will be provided for questions and discussion. Speakers have been selected for their knowledge of the subject assigned to them.

The program was planned by a committee of faculty members from MSU and Montana State College as well as professional planners and representatives of the State Planning Board.

"We now have 15 official City-County Planning Boards dealing with growth problems of Montana communities," stated E. O. Sowerwine, Jr., Director of the State Planning Board. "In addition, many other communities wish to get started on planning. By bringing all these people together in one place, we hope to stimulate good planning in all communities."

"Well-planned cities which are good places to live are necessary for sound industrial development."

Copies of the complete Institute program are available from the State Planning Board in Helena. Registration is \$10, which includes three meals on Saturday and Proceedings of the Institute.

All persons interested in the future of Montana and its communities are invited to participate in the Montana Planning Institute.

NOTICE RECEIVED IN MAIL:

Importer-agent, correspondent, wishes to contact exporter or manufacturer of lumber, logs, trunks, plywood, pulp for the European markets. George G. deBlanc, Bremen, Germany. Mr. deBlanc is at 24 East 84th St., New York City 28, until November.

MALMSTROM AFB MEANS \$18 MILLION ANNUALLY TO GREAT FALLS

A recent survey by the Comptroller of Malmstrom Air Force Base shows the base is Great Falls' largest industry—even larger than the Anaconda Company smelter as a contributor to basic income.

Malmstrom is a major refueling base for SAC bombers stationed at other bases in the area (including Ellsworth AFB in Rapid City, S. D., and Fairchild AFB in Spokane).

The survey, released in May of 1959, reveals the following facts:

1. Cost of operating the base in fiscal 1958 \$3,071,795.
2. Capital valuation of Malmstrom:

| | |
|---|---------------|
| Buildings, structures, plants and equipment | \$ 50,956,275 |
| Land | 134,741 |
| Construction in progress | 762,395 |
| Pavements and Runways | 22,664,178 |
| Inventories | 5,979,697 |
| Aircraft | 74,211,045 |

Total \$154,708,331

3. Civilian and military employment at base—4,477 with annual payroll in fiscal 1958 of \$27,588,000 (largest employer in Great Falls).

4. Population—17.4 per cent of the total population of Great Falls belongs to families connected with Malmstrom.

5. Value of Malmstrom to Great Falls economy, fiscal 1959:

| | |
|---|---------------|
| Construction, maintenance and repair by local contractors | \$ 4,985,881 |
| Local purchase of supplies and services by base | 1,200,000 |
| Officers and NCO open mess purchases | 269,908 |
| Personal expenditures in Great Falls by base personnel | 10,407,667 |
| Expenditures by Capehart housing contractors in Great Falls | 1,799,998 |
| SAGE const. project | Not Available |
| Central base fund | 12,812 |

Total expenditures \$18,676,266

Malmstrom has been a fine addition to the economy of Great Falls.

American Chrome Co., of Nye recently made its first carload shipment of ferrochrome to Eastern steel mills. The firm now has stockpiled several additional carloads, and has increased its production to 7½ tons of high-grade ferrochrome per day. If this operation succeeds, it will mean the first commercial use of Montana chrome; all former development of the huge chromite reserves south of Columbus has been under federal purchase subsidy (see INDUSTRIAL HORIZONS, January, 1959).

Military Important To Montana Economy

Much of this month's INDUSTRIAL HORIZONS is devoted to the economic impact of Montana's two major military installations—Malmstrom and Glasgow Air Force Bases.

Military expenditures represent big business in Montana, as they do in every state. Acquiring a military base is akin to securing a large factory payroll—it represents industrial development.

While Montana gets only a very small share of the nation's total military expenditures every year, what it does get is an important part of the state's economy.

According to recent figures released by the Air Force, Montana has two major permanent military bases—Glasgow and Malmstrom Air Force Bases—with a total present military population of 5,300 and an annual payroll of over \$33 million. If present plans materialize, total personnel at the two bases should aggregate 8,500 by 1962.

A recent survey by the Department of Defense shows a total of 695 major bases in the 50 states and the District of Columbia, aggregating 2.6 million military and civilian personnel. California, with 97 military bases and 354,100 personnel, leads the nation in military impact. West Virginia, with two bases and a military population of 1,700, and Wyoming with only one base, have the least.

Air Force Stations

Although Montana has only two major military installations, several smaller supporting Air Force installations are being built in various parts of the state. These Air Force stations are part of the aircraft control and warning system. On January 31, 1959, there were 981 civilian and military personnel stationed at these bases, which are located near such communities as Miles City, Opheim, Yaak, Havre, Lewistown, Cut Bank, and Lakeside. Most of them will have around 100 military personnel and 10 civilian employees. Each of the communities in which these AFS's are located will feel the military impact through local purchases and personnel expenditures.

Thus it may be seen that military expenditures do indeed constitute an important part of Montana's economy.

Glasgow AFB Means Millions To Area Economy ---

Montana's newest military installation is Glasgow Air Force Base, 18 miles north of the city of Glasgow on seven square miles of open prairie. Officials estimate the base will soon be as large as the state's other major base, Malmstrom Air Force Base at Great Falls, with over 4,000 men on permanent duty, and a capital investment of over \$100 million.

Originally located in Glasgow in 1954, the base is one of the so-called "northern tier" of defense installations, a vital part of the nation's defense system. This group of bases across the northern boundary of the United States was originally programmed to house fighter-interceptor units to stop enemy air attacks coming across the polar route to America's heartland. The bases were to be under the control of the North American Air Defense Command, a joint organization of the United States and Canadian air defense forces.

Rapid Expansion

Even before some of these bases were completed, new programs threw on them the additional burden of housing bomber and tanker units of the Strategic Air Command, the retaliation branch of the Air force. This resulted from SAC's policy of dispersing its units into smaller bases, thereby multiplying the number of targets an enemy would have to destroy in an initial attack.

Thus, current plans call for Glasgow AFB to perform both a defensive and an offensive function in protection of our northern border. The base will be similar to 27 others along the Canadian border—including Kinross AFB in upper Michigan; Grand Forks AFB, N. D.; Minot AFB, N. D.; and Malmstrom AFB at Great Falls.



Under present programming, 15 of the Strategic Air Command's most powerful bombers, the eight-jet B-52, will be stationed at Glasgow AFB. Capable of flying faster than 650 miles per hour and higher than 50,000 feet, the Stratofortress circled the globe non-stop in 1957 in 45 hours and 19 minutes (using in-flight refueling).

Bombers and Fighters

When completed in 1962, Glasgow AFB will house the 476th Fighter Group with F-101B (Voodoo) interceptor fighter planes for ADC, with a military population of 1,000. In addition, the Air Force recently announced a wing of 15 SAC heavy bombers (B-52's) and their attendant complement of 10 huge refueling tankers will be stationed at Glasgow AFB, aggregating about 3,000 officers and men. So far no announcement has been made of a SAGE (Semi-Automatic Ground Environment) electronic aid defense detector, similar to the one now

under construction at Malmstrom in Great Falls. However, both Glasgow and Malmstrom are to have several Army Nike-Hercules rocket facilities for protection of the bases, with an unannounced complement of men, if current plans are approved by the Defense Department. An estimated 400 permanent civilian employees will be stationed at Glasgow AFB.

Capital Investment of \$100 Million

The base, activated in February of 1957, is for the most part still under construction. When complete, officials estimate it will represent an investment of \$100 million, with weapons and aircraft worth an additional \$173 million. To date, contracts for construction worth nearly \$43 million have been let on the base, nearly \$23 million in fiscal 1959.



The McDonnell F-101B "Voodoo" is a two-seat interceptor soon to be in operational squadrons of the Air Defense Command, including the 13th Fighter Interceptor Squadron at Glasgow AFB. The "Voodoo" is the fastest and longest-ranged interceptor scheduled for defense of the North American Continent. It will operate under all-weather conditions to execute two primary missions—identification of unknown aircraft, and destruction of these aircraft if they are hostile.

Housing Shortage

As is the case in all boom projects, housing is a major problem at Glasgow.

Original military housing on base included 267 family housing units, now completed and occupied. These units were begun in 1957, and were built by the Army Corps of Engineers by direct Congressional appropriation at an average cost of \$20,100 per unit. Also included in original specifications were three dormitory buildings for housing the 1,000 unmarried personnel stationed at the base.

With the addition of SAC units at the base, authorization was received for 960 additional units to be built on base under provisions of the Capehart-Rains Act. This program provides for privately-built housing, under contract with the Air Force with the lowest bidder, with special FHA insurance. The contractor must obtain his own financing, and mortgage payments are made from rental allowances of the officers and airmen sta-

tioned at the base. The government is not obligated financially unless the base is later closed. Glasgow Associates, a group of out-of-state builders, is building 460, the first of which will be available in December of 1959. Burrough Johnson Associates of Tulsa, Okla., recently received the contract to build 300 Capehart units at an average cost of \$15,800 per unit. These will be built in the form of four-plexes, two stories high with attached garages. Contract for the remaining 200 Capehart units will be let later this year.



Ten huge KC-135 jet tankers will be stationed at Glasgow AFB, according to present plans. This four-turbojet aerial "gas station" is the refueling partner of the B-52 heavy bomber, and in its civilian capacity is known as the Boeing 707 jet. It is credited with speed of more than 600 miles per hour, a ceiling of 42,000 feet, and a range of more than 4,000 miles.

Still Short 800 Units

Thus, a total of 1,227 housing units for married personnel have been authorized at the present time at Glasgow AFB. Base housing officials estimate at least 800 additional family units will be needed to supply adequate housing for lower-grade airmen not authorized at present to live on base.

According to current current housing policies of the Department of Defense, this balance must be absorbed by the local community.

Airmen stationed at Malmstrom AFB do not find it too difficult to find adequate housing in Great Falls. However, in a community the size of Glasgow, it is virtually impossible to find 800 vacant houses.

Several solutions to this housing dilemma at Glasgow AFB have been presented:

Housing in Glasgow

1. Glasgow citizens have been attempting to raise financing to erect new housing in Glasgow, 18 miles south of the base. A new combine of Glasgow people has announced plans to put up some units this year. In addition, Hykes-McAbee Corp. of Pocatello is constructing 280 homes on the outskirts of Glasgow, and Hanson-Saetre, Inc., of Butte, is putting up 75. Most of these new units though, will be absorbed by the natural growth of Glasgow and by construction workers.

2. Several builders have announced plans for up to 800 units just adjacent to the base (see accompanying story).

Trailers

3. Additional trailer facilities, both in Glasgow and off-base, will probably absorb a good share of the base needs. While trailers often bring more housing

City-County Planning Board Ponders Growth Problems

problems than they solve, some say they are the most logical solution for temporary housing needs. It is possible that private builders will install pads for at least 200 more trailers just off base.

School, Spur, Pipeline

Facilities at Glasgow AFB constitute a completely integrated community. The government recently built a \$200,000 six-room school on base, and complete recreation facilities, including a \$200,000 gymnasium, have been built. In all, there will be over 100 buildings when the base is fully completed.



The \$200,000 six-room elementary school at Glasgow Air Base will be available for use this September. A 16-room expansion is programmed for the near future. The school is under the jurisdiction of the Glasgow School District. High school students travel to Glasgow.

The Great Northern Railway early in 1959 built an 18-mile spur from Glasgow to the base.

A pipeline with a capacity of 2.5 million gallons per day has been built to supply the water needs of the base. Water is pumped 25 miles from the Missouri River five miles below to the base with the aid of five pumps, with power supplied by Montana Power. A lagoon built on the base takes care of the base's sewage disposal needs.

If Air Force predictions materialize, and Glasgow AFB grows as large as Malmstrom is now, northeastern Montana will have a permanent installation of tremendous economic impact.

City of Glasgow Faced With Housing Shortage, Growth Problems; Planning Board Is Formed

Glasgow citizens have known since 1954 their community was to be the site of a large Air Force installation. However, recent expansions at Glasgow Airbase have come so suddenly the city has become a boom town.

With a population that has doubled since 1950, and that is expected to double again by 1962, the housing shortage looms as the biggest immediate headache to plague civic officials. Housing starts so far have been small—only 22 building permits for new housekeeping units had been issued by the end of June this year. City officials estimate there are over 800 house trailers scattered around the urban area. In addition to the 1,250 men currently employed in construction at Glasgow AFB (most of them living in Glasgow), over 100 workers are employed in construction of the second power plant at Fort Peck Dam.

Thus, Glasgow has inherited all the problems which accompany rapid growth—such problems as expansion of utilities, housing shortages, trailer courts springing up everywhere, traffic congestion, and crowded schools.

Last year the Glasgow City Council and the Board of County Commissioners in Valley County created an official City-County Planning Board to advise on growth problems. The City Council has levied a half mill on property within the City limits to support planning in fiscal 1960. This means there will be approximately \$2,000 for planning in Glasgow this year—enough for a good beginning on a comprehensive master planning program.

INDUSTRIAL HORIZONS

OFF-BASE DEVELOPMENT MAY BECOME NEW TOWN; GOOD PLANNING NECESSARY



The piece of grazing land pictured above brought the highest price per acre at the recent State Land Board auction of land adjacent to Glasgow Airbase.

The lot is located at the corner of the Glasgow-Opheim highway and the Base access road. Decker Associates of Ralston, Nebraska, a large firm of housing developers, paid \$5,950 per acre, or a total of \$14,850 for the strategically-located 2½ acre lot.

State Land Sale

Most of the land surrounding Glasgow Airbase is State land given to Montana by the Federal government in 1889 in lieu

of Indian land on the nearby Fort Peck Reservation. Therefore, any off-base expansion to alleviate the housing shortage at the Base must be on State land.

For this reason, the State Land Board auctioned off 390 acres on June 2. The sale was divided into 34 2½-acre "commercial" tracts along the two main roads, and into 10 larger "housing" tracts. Of the total 390 acres, 250 were purchased by two firms, Bill Kelly Associates of Great Falls and Decker Associates. Most of the smaller "commercial" tracts were purchased by Glasgow people. Total value of the sale was \$208,150.

Planning Necessary

Lack of water and sewage disposal facilities has prevented any building in this off-base development—so far. The area is outside the jurisdictional area of the Glasgow City-County Planning Board under provisions of an amendment adopted by the 1959 legislature limiting jurisdictional areas of planning boards in counties under 20,000 people to six miles from the limits of incorporated cities. However, State Planning Board officials are working with purchasers of the land on formation of a special County Planning and Zoning District, and on preparation of a comprehensive plan for the area to include zoning and building regulations.

If a new town is to develop adjacent to Glasgow Airbase—18 miles from Glasgow—good sense demands that it be well planned to prevent future slums and to maximize property values.

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Waldorf Expands Into Paper; Investment Doubled at Missoula

The second step in the gradual development of an integrated wood products processing industry in Montana was announced in July at Missoula by Waldorf-Hoerner Paper Products Co.

Indicating that more complete utilization of Montana raw materials by plants located in the Treasure State can be expected in the future, the company plans to manufacture paper at its pulp mill west of Missoula.

The new company is a consolidation of Waldorf Paper Products Co., which built the state's first pulp mill two years ago, and Hoerner Boxes, Inc., of Keokuk, Iowa, a manufacturer of cardboard boxes.

Investment at the site will be doubled to \$12 million, according to Nels H. Sandberg, president of the firm. Manufacture of paper is expected to begin in August of 1960. Initial plant capacity will be 350 tons per day.

New Building

Machinery of Montana's first paper plant will be housed in a building adjoining the pulp mill. The main building will be 640 feet long, 24 feet high and 70 feet wide. The paper machine will be 600 feet long. Also to be constructed are buildings to house a 50 per cent increase in digester capacity, the basic process of pulp making, and a 100 per cent increase in recovery boiler capacity which extracts chemicals from spent solution for reuse. Also to be added are a boiler with greatly expanded capacity and an electric generator of 7,500 kilowatt per hour capacity.

After the new facilities are completed, nearly all the pulp output will be used to make paper at Missoula, thus eliminating the cost of shipping to St. Paul for processing into paper. The product will be liner board, which is the outside facing of the corrugated material used in making paper boxes.

Installation of the paper machine means employment will increase by 35 workers.

—Montana Affairs, Aug., 1959

Theme of the annual meeting of the Montana Conservation Council, held in Lewistown, May 1-2, was "Conservation—Whose Responsibility Is Forest Resources?" Various facets of our vast timber resources, from recreation to industrial development, were discussed in detail.

The Conservation Council is an informal coordinating organization for all groups and individuals dealing with Montana resources.

NEW MONTANA FACTORIES WORTH \$1.1 MILLION IN 1958

Building permits for 39 factories, worth \$1.1 million, were issued in Montana in 1958, according to recent figures compiled by the U. S. Bureau of Labor Statistics in San Francisco.

Peak month for factory construction was October, when permits were issued for 13 factories worth \$290,000.

The 1958 total compares with 48 factory permits issued in 1957 worth \$1.9 million, and 26 permits in 1956 worth \$456,000.

Permits for factories represented only 0.8 per cent of the total building permits issued in 1958 in Montana, but they represented 2.8 per cent of the value of all permits. Most of the 4,792 permits which were issued by local governmental units in 1958 were for residences.

BLS figures are developed from questionnaires completed each month by local governmental units issuing building permits. Though not complete, they give a good indication of new industrial construction in Montana.

The Stramit Corp. has installed its second machine for manufacturing straw wallboard, according to President B. P. Haley of Havre. This machine is the first to be fabricated here in the United States; the first machine was imported from Sweden where the process for making wallboard from common wheat straw was discovered. Stramit in Havre is a community success story (see INDUSTRIAL HORIZONS, July-Aug., 1957). The firm was attracted into Havre by Havre Development Co., an industrial development corporation which had raised \$6,000 to purchase 56 acres of industrial sites on the outskirts of Havre. Stramit was first formed in 1957. A separate straw wallboard factory now has been constructed in Devils Lake, N. D.

The Alaska International Rail and Highway Commission, formed in 1938 to investigate transportation connections between Alaska and the mainland, has awarded a contract to Batelle Memorial Institute of Columbus, Ohio, for an extensive economic and feasibility study of transportation to Alaska. The \$120,643 contract calls for a final report by December 30, 1960, and the Commission is to make its final report to Congress by June 30, 1961. A cooperative brief on the importance of adequate transportation facilities linking Montana and Alaska is being prepared by the State Planning Board and the Montana Chamber of Commerce. The brief will be submitted to the Alaska Commission and to Batelle Institute.

Bismarck Industry Fair Brings Sub-Contract Opportunities

Montana firms interested in government subcontracts are urged to exhibit their products at the Upper Midwest Industry and Science Fair, to be held in the World War Memorial Building at Bismarck, N. D., October 14-16, 1959.

The Bismarck Fair is a regional promotion, with industrial development agencies in Manitoba, Minnesota, Montana, North Dakota, Saskatchewan and South Dakota cooperating in sponsorship along with Federal agencies.

The event is similar to the very successful Midwest Business Opportunities Exhibit held in St. Paul last October. At this event, which was also co-sponsored by the Montana State Planning Board, products made by 20 Montana small manufacturers were shown to military and business leaders from all over the country. Several of these manufacturers have indicated they received orders as a direct result of the Exhibit (see INDUSTRIAL HORIZONS, Oct.-Nov., 1958).

"We hope to draw manufacturers and businessmen from the seven-state and province vicinity to the Fair," stated Arthur Leno, Manager of the Bismarck Chamber of Commerce and General Manager of the Fair. "The functions of the Fair are to educate the people in this area to present development of resources and what needs to be done; to create national interest in these resources and to inform midwest businessmen how they can economically augment their operations by procuring government subcontracts."

"The Fair represents an opportunity for Montana manufacturers, especially those in eastern Montana, to contact Defense and Government purchasing agents about subcontract opportunities," said E. O. Sowerwine, Jr., Director of the State Planning Board.

Further information available either from Leno or the State Planning Board.

Minerals Engineering Co. of Grand Junction, Colo., has announced sale of its Carter Creek iron ore properties near Dillon to North American Utilities Corp. of Calgary for \$1 million and future royalties. North American and its subsidiary West Canadian Magnetic Ores, Ltd., are controlled by French and British interests promoting a steel mill at Burmis, Alta. (see INDUSTRIAL HORIZONS, Oct.-Nov., 1958). Thus Montana iron ore probably will be concentrated at Dillon and combined with Alberta coal for the manufacture of steel.

MONTANA STATE PLANNING BOARD

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